House File 561

AN ACT

RELATING TO THE PERFECTION OF MECHANICS' LIENS AND MECHANICS' LIENS REMEDIES AND INCLUDING EFFECTIVE DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 572.8, subsection 3, Code 2021, is amended to read as follows:

- 3. A lien perfected under this section shall be limited to the county or counties in which the building, land, or improvement to be charged with the lien is situated. The county or counties identified on the mechanics' notice and lien registry internet site at the time of posting the required notices pursuant to sections 572.13A and 572.13B shall be the only county or counties in which the building, land, or improvement may be charged with a mechanic's lien.
- Sec. 2. Section 572.32, Code 2021, is amended to read as follows:

572.32 Attorney fees — remedies.

- 1. In a court action to enforce a mechanic's lien, or an action brought upon any bond given in lieu thereof, a prevailing plaintiff may be awarded reasonable attorney fees.
- 2. In a court action to challenge a mechanic's lien posted on a residential construction property, or any bond given in lieu thereof, if the person challenging the lien or defending against any action on the bond prevails, the court may award reasonable attorney fees and actual damages. If the court determines that the mechanic's lien was posted in bad faith

or the supporting affidavit was materially false, the court shall award the owner reasonable attorney fees plus an amount not less than five hundred dollars or the amount of the lien, whichever is less.

Sec. 3. EFFECTIVE DATE. This Act takes effect January 1, 2022.

PAT GRASSLEY JAKE CHAPMAN

Speaker of the House President of the Senate

I hereby certify that this bill originated in the House and is known as House File 561, Eighty-ninth General Assembly.

MEGHAN NELSON Chief Clerk of the House

Approved _____, 2021

KIM REYNOLDS Governor